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[The Arizona Republic](#)

As the recession takes its toll on the state and municipal general funds, U.S. Rep. Harry Mitchell and Phoenix Mayor Phil Gordon on Friday joined forces with an organization called Local First Arizona and urged Phoenix residents to start making at least one out of three purchases in locally-owned stores.

The officials spoke at a press conference at an Ahwatukee Bashas'. The Chandler-based grocery chain, which owns Bashas', Food City and AJ's Fine Foods, filed for Chapter 11 bankruptcy reorganization last summer.

"For every \$100 that is spent in a locally-owned store, we get to keep \$45 of it in our community," said Gordon, quoting information from a national study of the impact of local buying by an Austin-based organization, Civic Economics.

Gordon said local companies like Bashas, for instance, not only tend to use more Arizona suppliers than chains that are based out of state, but use more high-level Arizona workers, including attorneys, accountants and advertising agencies.

"My call to action is that for every three purchases, make one at a locally owned store," he said. "That will help grow our economy."

Mitchell, whose family has lived in Arizona for generations, talked about less tangible contributions that locally-owned businesses add to communities: Festivals like First Friday in downtown Phoenix and Bashas' recent turkey drive for a local food bank.

When in town, Mitchell said, he still gets haircuts at a long-time institution called Ray's Barber Shop, at 905 E Lemon St. in Tempe. His father went there and so did his grandfather.

"Now my son and my grandson are getting their hair cut there," Mitchell said. "There is something comforting about that. And you don't normally find that kind of thing if it is not a locally-owned shop."

Not everyone believes local shopping is a complete answer to Arizona's economic woes.

Reached after the press conference, Arizona's Walmart spokeswoman Delia Garcia shared data that shows that the Bentonville, Ark. retailer employs 32,000 Arizonans, spent \$1 billion with Arizona suppliers last year, paid \$342 million in state sales taxes and donated \$10 million to Arizona charities.

Phoenix City Councilman Sal DiCiccio, who represents Ahwatukee and also spoke briefly at the press conference, noted that 40 percent of Phoenix's general fund comes from sales tax. He said it is important that residents shop in Phoenix stores - both locally and non-locally owned -- to help prevent cuts to city services.

"You need a balance" of types of retail, DiCiccio added. "There is a need for everything."